CITY OF INDIAN WELLS THIRD AMENDMENT TO EMPLOYMENT AGREEMENT

This Third Amendment to the Employment Agreement – City Manager (this "Third Amendment") between the City of Indian Wells (the "City") and Chris Freeland (the "Employee" or "Manager") is entered into this <u>16</u> day of December 2021.

Except as modified in this Third Amendment and the preceding First and Second Amendments, the Employment Agreement originally dated May 2, 2019 ("Agreement") between the City and the Employee shall remain in full force and effect.

The parties to this Third Amendment agree to the following changes:

1. Section 4 entitled "Term" is hereby amended to renew the Agreement and extend its term by an additional one year and seven months as follows:

"4. <u>Term</u>:

The term of this Agreement will commence on May 13, 2019, and shall continue until **December 31, 2028**, or the date of earlier termination in accordance with provisions in this Agreement. In the event that the City Council determines that the Manager is not to be reemployed upon expiration of this Agreement, he shall be given written notice thereof by the City Council at least one hundred and twenty (120) days in advance of the final year of this Agreement. Failure to provide timely written notice provided for in this Section shall result in the Agreement being extended on the same terms for additional periods of one (1) year on each occasion. This renewal clause and its notice provision shall apply to all subsequent terms under this Agreement."

2. Section 7 entitled "Compensation and Annual Evaluation" is hereby amended at subsection A to increase the Manager's annual Base Salary by \$10,000.00:

"7. Compensation and Annual Evaluation:

A. Effective July 1, 2021, Manager's initial annual Base Salary shall be Two Hundred and Fifty Thousand Dollars (\$250,000.00). Said amount shall be payable in monthly or bi-weekly installments at the same time and in the same manner as other employees of the City are paid. Increases in Manager's Base Salary may be effective at any time in the sole discretion of the City Council." 3. Section 3 entitled "Benefits" is hereby amended at subsection A to provide a one-time addition of 120 hours to the Manager's accrued vacation time bank:

"8. <u>Benefits</u>:

A. <u>Vacation</u>. Manager will be provided one hundred twenty (120) hours of banked vacation time upon the commencement of this Third Amendment. Manager shall also be entitled to and accrue paid vacation consistent with the City Resolution and policies applicable to executive level employees with fifteen (15) years of service. Currently employees with such seniority are provided twenty-five (25) vacation days per year. Accrual rates, caps and limits, application, and usage are governed by the City's policies and practices."

The City and the Employee have duly executed this Third Amendment as of the date first written above.

IN WITNESS WHEREOF, the parties have executed this Agreement on the <u>16</u> day of December 2021.

CITY OF INDIAN WELLS

CHRIS FREELAND

E-SIGNED by Dana Reed on 2021-12-17 08:03:14 PST E-SIGNED by Christopher Freeland on 2021-12-16 15:44:50 PST

By: Dana Reed, Mayor

By: Chris Freeland

ATTEST:

E-SIGNED by Angelica Avila on 2021-12-17 08:05:02 PST

Angelica Avila, City Clerk

APPROVED AS TO FORM:

E-SIGNED by Todd Leishman on 2021-12-17 05:50:19 PST

Todd R. Leishman, City Attorney